

109TH CONGRESS
1ST SESSION

H. CON. RES. 272

Expressing support for the current standards of the Federal mortgage interest tax deduction.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 20, 2005

Mr. WEXLER (for himself and Ms. HARRIS) submitted the following concurrent resolution; which was referred to the Committee on Ways and Means

CONCURRENT RESOLUTION

Expressing support for the current standards of the Federal mortgage interest tax deduction.

Whereas the President's Advisory Panel on Federal Tax Reform released its initial recommendations to revise the Internal Revenue Code of 1986 on October 11, 2005;

Whereas the Panel's initial recommendations included a proposed reduction from the current \$1,000,000 cap on mortgage values to the Federal Housing Authority loan limitation, which is estimated at a \$300,000 cap on mortgage values eligible for tax deductions for interest paid on such mortgages;

Whereas average home prices in many housing markets across the Nation far exceed the suggested mortgage value cap of \$300,000;

Whereas home equity is a significant source of economic stability and wealth accumulation for Americans of all socioeconomic classes;

Whereas the Panel's initial recommendation to reduce the current cap on mortgage values eligible for tax deductions on interest will result in a substantial tax increase for middle-income families and serve as a disincentive to pursue the longstanding tradition of homeownership, which is the cornerstone of the American dream and a pillar of United States housing policy; and

Whereas Executive Order 13369, which created the President's Advisory Panel on Federal Tax Reform, states that the panel should recognize "the importance of homeownership and charity in American society": Now, therefore, be it

1 *Resolved by the House of Representatives (the Senate*
2 *concurring)*, That the Congress—

3 (1) supports the current standards of the mortgage interest tax deduction, as outlined in section
4 163 of the Internal Revenue Code of 1986; and
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6 (2) opposes the initial recommendation of the
7 President's Advisory Panel on Federal Tax Reform
8 to reduce the \$1,000,000 limit on mortgage values
9 eligible for deductions for interest paid on such
10 mortgages.

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